

BUSINESS REPORT

**MONTANA HOUSE OF REPRESENTATIVES
61st LEGISLATURE - REGULAR SESSION**

**HOUSE JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG-RANGE PLANNING
COMMITTEE**

Date: Tuesday, March 17, 2009

Time: 11:30 am

Place: Capitol

Room: 102

BILLS and RESOLUTIONS HEARD:

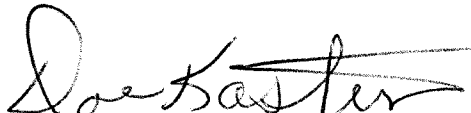
Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Add Postponed (PP) when appropriate:

EXECUTIVE ACTION TAKEN:

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Enter P(pass) F(failed) DPAA (do pass as amended) BC(be concurred in) BCAA (be concurred in as amended):

HB10 - DPAA			

COMMENTS:



REP. Dave Kasten, Chairman

DATE: 3/17/09

[illegible]

**AUTHORIZED
SENATE COMMITTEE PROXY**

I request to be excused from Long Range Committee
because of other commitments. I desire to leave my proxy vote with:

Dave Rosten

Indicate Bill number and your vote Aye or No. If there are amendments,
list them by name and number under the bill and indicate a separate vote
for each amendment.

BILL/AMENDMENT


AYE NO

HB001003.acd	✓	
HB001007.acd	✓	
HB 10 as amended	✓	

BILL/AMENDMENT

AYE NO

Sen.


(Signature)

Date

3/13/09

**Montana House of Representatives
Visitors Register**

LONG RANGE PLANNING COMMITTEE

Date 3-17-09

Bill No. 67 11 Sponsor(s) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

Name and Address	Representing	Support	Oppose	Inf.
Ray Seck	DNRC	X		
Rick Duncan	DNRC	X		
Jan Smith	DNRC	X		
Alice Stanley	DNRC	X		
Nicra Stickney	DNRC	✓		
Bob Feltice	DNRC	✓		

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.



Chamber of Commerce

Your Business Advocate Since 1931

EXHIBIT Additional
DATE 3/17/09
PAGE 10

March 12, 2009

Members of the House Appropriations Committee,

The Montana Chamber of Commerce is on record as supporting funds for the SOS Information Management Systems (SIMS) in HB 645. I regret we were not able to be there in person to testify.

As the States' leading business advocate, we rely heavily on the Secretary of State's office for a variety of business information and registration needs. While there have been significant improvements in the system over the years, it is now in need of a major overhaul. The various patchwork of systems now are up to 30 years old. The whole system is being run on a 1978 mainframe. The mainframe I had in 1978 when I graduated from high school could definitely use an overhaul, so I sympathize with this system.

The current hodgepodge is costly to maintain, and it is my understanding that only one company can maintain the system. This leaves us very vulnerable to a complete system failure.

The Montana Chamber and Montana's business community need an efficient, up-to-date system. We believe the use of stimulus funds is entirely appropriate to this purpose. It will help ensure Montana businesses can rely on services provided now, in an even more efficient manner.

We have been aware of efforts for some time to modernize this system. In the self-funded structure of the SOS office, however, collecting the money to do so has been difficult. We are now presented with a tremendous opportunity to implement a system specifically designed for the Montana Secretary of State's office. We urge you to take advantage of this opportunity and support the funding included in HB 645 and, ultimately, HB10.

I appreciate your time, attention, and consideration. I would also be happy to provide further comment.

Sincerely,

Webb Scott Brown
President/CEO



**MONTANA
BANKERS
ASSOCIATION**

Leadership & Advocacy Since 1904

March 12, 2009

The Honorable John Sesso
Chairman
Montana Appropriations Committee
Montana State Capitol
Helena, MT 59620

Dear Chairman Sesso:

The Montana Bankers Association urges the Appropriations Committee's support for the appropriation modernizing the information management systems for the Montana Secretary of State's Office. Montana banks and banking activity depend on many of the services provided by the Secretary of State's office to meet the financial services needs for Montana's citizens and business.

Bankers and borrowers, whether they are farmers, ranchers or small and large business, depend on the effective, efficient, accurate and timely filing of the wide variety of security interests and liens that are growing part of today's complex economy and business activities. In addition, the demands resulting from the State's increased economic activity require the implementation of internet based information system of business records, liens and security interests.

It is our opinion the funds available by The American Recovery and Reinvestment Act of 2009 are ideally suited to invest in the appropriate and much needed equipment and systems to modernize the Secretary of State's information management systems.

Respectfully,


Steve Turkiewicz, CAE
President/CEO

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Thursday, March 12, 2009

Mr. Jon Sesso
Chairman, House Appropriation Committee

Re: House Bills 10 and 645, which would provide funding for the Montana Secretary of State's Office to replace their antiquated mainframe

Mr. Sesso,

I am writing as a customer and friend of the Business Services Division of the Secretary of State's Office to encourage you to support House Bills 10 and 645, so that the Montana Secretary of State's Office receives the funding it badly needs to replace its current mainframe computer.

My firm currently serves as the registered agent for approximately 7,000 business entities that do business in Montana, so I interact with the office on a daily basis. While the office does a great job, it could and should offer more services via the internet, and should become a more modern office.

A new computer system would modernize Montana's Secretary of State's office so that it can better serve the needs of Montana businesses, such as my law firm, and my law firm's clients.

Much of the Secretary of State's office computer system is running off of a 1978 mainframe. The hardware is extremely expensive and time consuming to maintain. Were the mainframe to crash, businesses across Montana would be adversely affected due to delayed and/or limited service. In today's economy, businesses cannot afford interruptions or delays due to grossly antiquated technology.

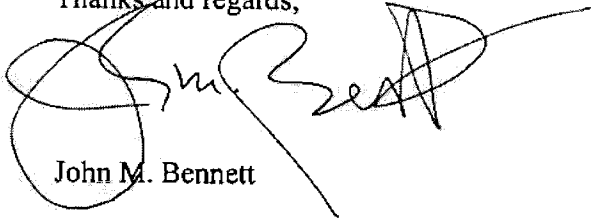
For customers who file several forms on behalf of multiple businesses, the new computer system will save considerable time and money – allowing for bulk payments and bulk filings. Currently, each filing has to be submitted separately, with a separate payment for each individual filing.

Rather than printing and sending every notice by U.S. mail, the new system will integrate the use of email and fax to send and receive documents. This will help notify individuals faster about any action affecting their business.

The new system will integrate all actions of the business services within the Secretary of State's Office (corporate filings, UCC filings, etc). Because the data will be in one place, a search will return information about all of the interactions a person or business has had with the Office.

Please don't hesitate to contact me if you have any questions, comments or concerns.

Thanks and regards,

A handwritten signature in black ink, appearing to read "John M. Bennett", with a large, stylized flourish extending from the end of the signature.

John M. Bennett

KARELL DYRE HANEY PLLP

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March 12, 2009

Representative Jon C. Sesso
Chair, House Appropriations Committee
Montana House of Representatives
PO Box 200400
Helena, MT 59620-0400

Re: Montana Secretary of State Computer System

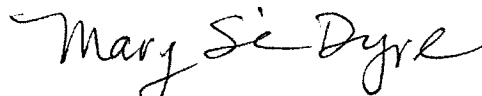
Dear Representative Sesso:

I have practiced law in Montana, with an emphasis on banking and commercial matters, for 25 years. Like so many of my peers, banks, businesses and the general public, I constantly utilize the services of the Secretary of State's business services systems to acquire essential entity information, file entity documentation, obtain UCC and Farm Bill filing information and file critical documents to perfect and maintain security interests in personal property. The thought of users from across the country being unable to utilize the business services systems to obtain essential information for even the shortest of periods, let alone a complete computer system failure, is nightmarish and would very negatively affect commerce within the state.

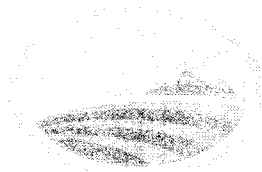
When the need for a powerful central filing system arose with the passage of the Food Security Act of 1985, Montana had the great distinction of being the first state in the nation to have its central filing system certified for approval by the United States Department of Agriculture. It would truly be a shame for that great legacy of progressive and proactive action to be diminished by a system failure that would be felt far beyond the borders of our state.

I strongly urge you to take whatever steps are necessary to preserve the integrity of the Secretary of State's information systems.

Very truly yours,



MARY SCRIM DYRE



Montana Agricultural Business Association

1806 Capital Street, Helena, MT 59601-4714
406-449-7391 406-449-7429 (fax)
mabamgea@bresnan.net

"Growing Montana"

March 12, 2009

TO: Chairman Jon Sesso and Members of the House Appropriations Committee
FROM: Pam Langley, executive director of the Montana Agricultural Business Association

The Montana Agricultural Business Association (MABA) supports the funding in HB 645 to provide a new \$5.5 million business information management system in the Secretary of State's office.

Our members throughout the state need a reliable system for three reasons:

- We file annually as a non-profit corporation with Secretary of State Linda McCulloch to be a legal entity in Montana.
- Some of our members file liens for agricultural inputs including seed, plant nutrients, and crop protection products which enables the flow of commerce in the busy agricultural season.
- Our members who operate elevators must check liens before paying growers to assure they do not have to pay for grain twice—once to the grower and then also to an entity which has a lien. If the system in the Secretary of State's office is down, we either place ourselves at risk or must delay paying growers.

In summary, we encourage you to use stimulus money to update the system for now and the future.

The Montana Agricultural Business Association is a nonprofit organization with about 260 locations which are members, representing more than 2,000 individuals:

- *We operate farm supply outlets, elevators and seed plants providing supplies to agricultural producers;*
- *We are crop consultants, ground and aerial applicators of crop protection and plant food products;*
- *We are individuals who work for manufacturers and distributors of farm and ranch input products;*
- *We work for transporters of agricultural products, equipment manufacturers and sales companies, testing labs and others affiliated with agricultural business;*
- *We are individuals, family-owned businesses, independent businesses, independent coops and businesses owned by corporations.*
- *We exist to provide services and products for "Growing Montana."*